



INSPECTOR GENERAL
DEPARTMENT OF DEFENSE
4800 MARK CENTER DRIVE
ALEXANDRIA, VIRGINIA 22350-1500

November 6, 2015

**MEMORANDUM FOR DIRECTOR, DEFENSE CONTRACT MANAGEMENT AGENCY
DIRECTOR, DEFENSE CONTRACT AUDIT AGENCY**

**SUBJECT: Evaluation of Contracting Officer Actions on Defense Contract Audit Agency
Incurred Cost Audit Reports (Project No. D2016-DAPOCF-0006.000)**

We will begin the subject review in November 2015. The primary objective is to assess the appropriateness of Defense Contract Management Agency (DCMA) actions to resolve and complete the disposition of Defense Contract Audit Agency (DCAA) audits on DoD contractor incurred costs. As part of our evaluation, we will assess DCMA contracting officer compliance with the Federal Acquisition Regulation, DoD Instruction 7640.02, "Policy for Follow-up of Contract Audit Reports," and applicable DCMA instructions. We will consider suggestions from management on additional or revised objectives.

We plan to perform site visits at DCMA field offices responsible for taking action on the DCAA incurred cost audits we will sample for evaluation. We will contact the previously designated DCMA point of contact to arrange the site visits.

If you have any questions, please contact Mr. Mark Dixon, Program Director, at (571) 263-2371, mark.dixon@dodig.mil, or Mr. Michael Mucciarone, Technical Specialist, at (202) 359-9313, michael.mucciarone@dodig.mil.

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